

AMENDED IN SENATE APRIL 29, 2010

**SENATE BILL**

**No. 1287**

---

**Introduced by Senator Ducheny**

February 19, 2010

---

~~An act to amend Section 33445.1 of the Health and Safety Code, relating to redevelopment. An act relating to housing, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 1287, as amended, Ducheny. ~~Redevelopment: payment for land or buildings.~~ *Earthquake disaster relief: housing assistance.*

*Existing law establishes the Disaster Relief Fund, a continuously appropriated fund, for purposes of funding disbursements made for response to and recovery from earthquakes, aftershocks, and other related casualties. For the purposes of providing disaster relief in communities subject to a natural disaster, existing law requires the Department of Housing and Community Development to award funds, if funds have been made available, to be used for housing persons of low and moderate income.*

*This bill would appropriate \$900,000 to the department to award funds for housing persons of low and moderate income, for the purposes of providing disaster relief in California communities affected by the 7.2 magnitude earthquake, centered in Baja California, Mexico, on April 4, 2010.*

*This bill would declare that it is to take effect immediately as an urgency statute.*

~~The Community Redevelopment Law authorizes a redevelopment agency, with the consent of the legislative body, to pay all or a part of~~

the value of the land for, and the cost of the installation and construction of, any improvement that is publicly owned and is located outside, and not contiguous to, the project area, if that improvement is located within the community, and if the legislative body makes specified findings. Existing law provides that this authorization is inapplicable, if the financing, construction, or installation of the land or improvement is an obligation of the agency under specified contracts.

This bill would modify that provision to instead provide that, if the financing, construction, or installation of the land or improvement is an obligation of the agency under specified contracts, the agency is authorized to pay all or a part of the value of the land and the cost of the installation and construction of the improvement, but only in accordance with the requirements of another specified provision of law.

Vote: ~~majority~~<sup>2/3</sup>. Appropriation: ~~no~~ yes. Fiscal committee: ~~no~~ yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. Notwithstanding any other law, for the purposes  
2     of providing disaster relief in California communities affected by  
3     the 7.2 magnitude earthquake, centered in Baja California, Mexico,  
4     on April 4, 2010, the Legislature hereby appropriates nine hundred  
5     thousand dollars (\$900,000) from the Disaster Relief Fund to the  
6     Department of Housing and Community Development to award  
7     funds for housing persons of low and moderate income. The  
8     department shall give first priority to funding housing for persons  
9     of low income.

10    SEC. 2. This act is an urgency statute necessary for the  
11    immediate preservation of the public peace, health, or safety within  
12    the meaning of Article IV of the Constitution and shall go into  
13    immediate effect. The facts constituting the necessity are:

14    In order to provide earthquake disaster relief services to affected  
15    communities, it is necessary that this act take immediate effect.

16    SECTION 1. ~~Section 33445.1 of the Health and Safety Code~~  
17    is amended to read:

18    ~~33445.1. (a) Notwithstanding Section 33440, an agency may,~~  
19    ~~with the consent of the legislative body, pay all or a part of the~~  
20    ~~value of the land for and the cost of the installation and construction~~  
21    ~~of any building, facility, structure, or other improvement that is~~  
22    ~~publicly owned and is located outside and not contiguous to the~~

1 project area, but is located within the community, if the legislative  
2 body finds, based on substantial evidence in the record, all of the  
3 following:

4 (1) The acquisition of the land or the installation or construction  
5 of the buildings, facilities, structures, or other improvements that  
6 are publicly owned are of primary benefit to the project area.

7 (2) The acquisition of the land or the installation or construction  
8 of the buildings, facilities, structures, or other improvements that  
9 are publicly owned benefits the project area by helping to eliminate  
10 blight within the project area, or will directly assist in the provision  
11 of housing for low- or moderate-income persons.

12 (3) No other reasonable means of financing the acquisition of  
13 the land or the installation or construction of the buildings,  
14 facilities, structures, or other improvements that are publicly  
15 owned, are available to the community, including, but not limited  
16 to, general obligation bonds, revenue bonds, special assessment  
17 bonds, or bonds issued pursuant to the Mello-Roos Community  
18 Facilities Act of 1982 (Chapter 2.5 (commencing with Section  
19 53311) of Part 1 of Division 2 of Title 5 of the Government Code).  
20 In determining whether other means of financing are feasible, the  
21 legislative body may take into account any relevant factors,  
22 including, but not limited to:

23 (A) Legal factors, such as the eligibility of the improvements  
24 for funding under the governing statutes.

25 (B) Economic factors, such as prevailing interest rates and  
26 market conditions.

27 (C) Political factors, such as the priority of commitments of  
28 other public funding sources, the ability or willingness of property  
29 owners or taxpayers to bear the cost of any special assessments,  
30 taxes, or other charges, and the likelihood of obtaining voter  
31 approval, if required.

32 (4) The payment of funds for the acquisition of land or the cost  
33 of buildings, facilities, structures, or other improvements that are  
34 publicly owned is consistent with the implementation plan adopted  
35 pursuant to Section 33490.

36 (5) The acquisition of land and the installation of each building,  
37 facility, structure, or improvement that is publicly owned is  
38 provided for in the redevelopment plan.

39 (b) An agency shall not pay for the normal maintenance or  
40 operations of buildings, facilities, structures, or other improvements

1 that are publicly owned. Normal maintenance or operations do not  
2 include the construction, expansion, addition to, or reconstruction  
3 of, buildings, facilities, structures, or other improvements that are  
4 publicly owned otherwise undertaken pursuant to this section.

5 (e) ~~An action to challenge the findings required by this section~~  
6 ~~shall be filed and served within 60 days after the date of the~~  
7 ~~resolution containing the findings.~~

8 (d) ~~The provisions of this section shall not apply and the~~  
9 ~~provisions of Section 33445 shall apply if the financing,~~  
10 ~~construction, or installation of the land, buildings, facilities,~~  
11 ~~structures, or other improvements is an obligation of the agency~~  
12 ~~under a contract existing on December 31, 2009, specifically~~  
13 ~~described in the implementation plan prepared by the agency as~~  
14 ~~of July 1, 2009, pursuant to Section 33490, or specifically provided~~  
15 ~~for in the redevelopment plan as of December 31, 2009.~~